

## The Homebuyer Assistance Program

The Belmont City Council through its Redevelopment Agency is sponsoring a “Home Buyer Assistance Program”, wherein the Agency provides down payment assistance in the form of long term, low interest loans to qualified home buyers in Belmont. Funds are available to assist with the purchase of a single-family residence, townhome or condominium. The program is administered by the Belmont Community Development Department.

Should you have any questions after reading this brochure, please call the Housing Specialist in the City’s Community Development Department **(650) 595-7416**. This brochure may also be found on the City of Belmont’s Web site: [www.belmont.gov/localgov/comdev/hbap.html](http://www.belmont.gov/localgov/comdev/hbap.html)

### Eligibility Requirements

#### Applicants Must Meet the Following Criteria:

- You must be a first-time homebuyer in Belmont, which means, that you have not owned a home in Belmont as a primary residence for the three consecutive years prior to applying for the program.
- OR -
- You currently work in Belmont and have done so for the past two consecutive years and currently do not own a home in Belmont.
- AND -
- You must have sufficient assets to pay down payment and closing costs required by the primary lender.
- You must remain the owner/occupant throughout the term of the down payment assistance loan.
- Your total securities, cash equivalents, and real estate equity assets may not exceed \$125,000.
- You must be able to qualify for a primary mortgage loan from a private lender (bank, savings & loan, credit union, etc.)
- Your maximum annual gross household income may not exceed the limits established by HUD shown in the following table.

**2003 Maximum Income Limits \*  
(Gross Annual Household Income)**

Persons/ Household	Annual Income Limit	Gross Monthly Income
1	\$76,850	\$6,404
2	\$87,850	\$7,321
3	\$98,800	\$8,233
4	\$109,800	\$9,150
5	\$118,600	\$9,883

\* Income limits from HUD and shall be adjusted annually

### Program Description

#### Loan Terms:

- Maximum loan amount is 20% of the purchase price
- The term of the loan is 30 years
- The Interest Rate is 3% (*compounded annually*)
- There is no maximum purchase price
- Payments are deferred for the life of the loan.
- The loan may be paid-off any time prior to its 30-year term without penalty.
- There is a non-refundable application and processing fee of \$300 due when the loan application package is submitted. The check is payable to San Mateo County, at that time.
- The city will subordinate to a new first mortgage if the existing balance of the first mortgage is being refinanced for the purpose of obtaining a more favorable interest rate. A “cash-out” refinance is not allowed.
- The City’s loan will be secured by a promissory note and deed of trust and there are resale restrictions on the property while the Agency loan is in effect.

### Resale Restriction

A Resale Restriction Agreement will be recorded on your property in order to protect the City’s financial interest and to ensure the continued availability of this program to subsequent

moderate-income homebuyers.

There are also provisions in the agreement, which address owner occupancy requirements, assumption of the loan, purchaser eligibility and maintenance of the residence. A copy of the Resale Restriction Agreement is available for your review at the City Planning Department, 1070 Sixth Ave., Suite 302, Belmont. Interested parties may purchase a copy of the Agreement for a nominal fee.

***Please make sure you read and understand all of the conditions of this Agreement before signing a property purchase contract.***

### How to Apply

If an Eligibility Application is not included with this brochure call the Belmont Community Development Department at 595-7416 and request one.

Complete and submit the Application, along with all documentation requested, to the Community Development Department. Required information to submit with your application will include tax returns and W-2 forms for the past three years, current bank statements and pay stubs. City staff will review your application and notify you of the results. When your eligibility is confirmed, you may begin searching for a property and arranging for your primary mortgage loan.

Notify the City as soon as you have identified a property and a mortgage lender. The City will then reconfirm your eligibility, send you a letter authorizing your participation in the program and provide you with a loan application and instructions on how to proceed.

The San Mateo County Office of Housing will manage all loan-processing operations for the City and will be the primary contact for both you and your lender after the initial eligibility phase is completed by the City.

You may contact County staff at (650) 802-5035 for any assistance you may need during the loan processing and closing process.

City of Belmont  
Community Development Department  
Permit Center  
1070 Sixth Avenue, Suite 309  
Belmont, CA 94002-3893

# HOMEBUYER ASSISTANCE PROGRAM



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1070 Sixth Avenue, Suite 309  
Belmont, CA 94002-3893

Help Line: (650) 595-7416

Fax: (650) 637-2983

